

**DECISION**



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**THE COMPTROLLER GENERAL  
OF THE UNITED STATES  
WASHINGTON, D.C. 20548**

**FILE:** B-209477

**DATE:** March 1, 1983

**MATTER OF:** Dictaphone Corporation

**DIGEST:**

Protester's contention that equipment offered will satisfy contracting agency's functional needs is denied where agency indicates additional equipment is necessary for equipment to be totally compatible with other equipment in use in agency and protester has not shown requirement for additional equipment to be unreasonable.

Dictaphone Corporation (Dictaphone) protests the issuance of a purchase order by the Department of Health & Human Services (HHS) for word processing equipment under International Business Machines Corporation (IBM) contract GS-OOC-02952 with the General Services Administration.

We deny the protest.

Essentially, Dictaphone contends that the word processing equipment it offered met or exceeded the capability of the IBM equipment at a lower price. However, the Dictaphone proposal which was in response to a Commerce Business Daily (CBD) synopsis announcing an intent to place an order with IBM to purchase equipment being leased from IBM, did not offer all the equipment that HHS intended to procure and was not the lowest proposal for the equipment offered.

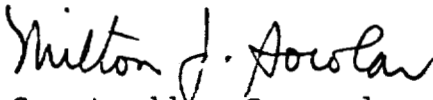
In that connection, Federal Procurement Regulations § 1-4.1109-6 (1964 ed. amend. 211) provides for responses to the CBD synopsis to be evaluated to determine whether placing the order with the designated contractor would be most advantageous to the Government.

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In this case, HHS advised Dictaphone that it proposed to purchase from IBM equipment that included mag card units and mag card converters. The equipment Dictaphone proposed did not contain mag card equipment. Therefore, in comparing the cost of Dictaphone's equipment to IBM's HHS subtracted from IBM's price the cost of the mag card equipment. Under that evaluation, Dictaphone was not low. However, Dictaphone contends that the equipment it proposed will satisfy the functional needs of HHS. But HHS has indicated that the acquisition of the mag card equipment was necessary because there are other systems in HHS that use mag cards and the mag cards are exchanged between systems and the equipment therefore must be totally compatible.

Our Office has consistently held that the determination of minimum needs is the responsibility of the contracting agencies. The agencies are in the best position to ascertain their needs due to familiarity with particular requirements and the environments in which the products will be used. Thus, our Office will not question an agency's determination of its minimum needs or the technical judgment forming the basis for that determination unless it is clearly shown to be unreasonable. Philips Information Systems, Inc., B-208359, January 10, 1983, 83-1 CPD \_\_\_\_; Polymer Chemicals, Inc., B-207396, September 21, 1982, 82-2 CPD 250; Maremont Corporation, 55 Comp. Gen. 1362 (1976), 76-2 CPD 181.

Since Dictaphone has not shown the mag card equipment requirement to be unreasonable, we do not find the issuance of the order to IBM to be improper.

for   
Comptroller General  
of the United States